



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
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January 19, 2000

CERTIFIED RETURN RECEIPT  
P 074 976 803

Paul C. Spor  
Tintic Utah Metals, LLC  
15988 Silver Pass Road  
Eureka, Utah 84628

Re: Replacement Reclamation Contract, Tintic Utah Metals, LLC, Burgin Mine, M/049/009

Dear Mr. Spor:

In reviewing our records, it has been brought to our attention that we have never completed the permitting process for Tintic Utah Metals (Tintic) Burgin mine which was transferred from Sunshine Mining Company (Sunshine). A Large Mining Notice of Intention (LMO) was received June 16, 1997 from Tintic for the Burgin mine. On March 16, 1998, the Division sent our initial response with noted deficiencies. In a letter received July 20, 1998, Tintic assumed all reclamation responsibility for the Burgin mine. A replacement surety bond was received from Tintic in the amount of \$350,000 issued by Frontier Insurance Company. Therefore, Sunshine was released from any further obligation at the Burgin mine site and their bond was released and returned to them.

Tintic's replacement surety was to be considered an "interim" surety until Tintic's LMO was finalized and approved. On August 17, 1998, we received: Tintic's letter acknowledging the new surety as an interim surety; a Transfer of Notice of Intent (minus Sunshine's signature on page 3 (as Sunshine was reluctant to sign feeling that they may have further obligations to the project); and a Reclamation Contract (form MR-RC). However, the Reclamation Contract was incomplete; it was also submitted on a 1993 form, which is outdated.

We have taken the liberty to partially complete a new replacement Reclamation Contract using information off the form received in 1998. Please review the form for accuracy, make duplicate *draft* copies, then finish completing the contract form. If possible, please return the *draft* contract to us by mail or facsimile within 10 days from your receipt of this letter. We will review the draft form for accuracy and completeness, then notify you of any necessary changes so that you can finalize, then mail us the original contract form.

Please advise us when you will submit the remaining information in order that this permitting process can be completed and finalized.

**"OPERATOR'S REGISTERED AGENT":**

(Name)

Paul C. Spor

(Address)

P. O. Box 51

Eureka, Utah 84628

(Phone)

435-433-6606

**"OPERATOR'S OFFICER(S)":**

**"SURETY":**

(Form of Surety - Attachment B)

Surety Bond

**"SURETY COMPANY":**

(Name, Policy or Acct. No.)

Frontier Ins. Co.

**"SURETY AMOUNT":**

(Escalated Dollars)

\$350,000.00

**"ESCALATION YEAR":**

**"STATE":**

State of Utah

**"DIVISION":**

Division of Oil, Gas and Mining

**"BOARD":**

Board of Oil, Gas and Mining

**ATTACHMENTS:**

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Tintic Utah Metals LLC the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/049/009 which has been approved by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

DIVISION OF OIL, GAS AND MINING:

By \_\_\_\_\_  
Lowell P. Braxton, Director

\_\_\_\_\_ Date

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss:

On the \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_,  
personally appeared before me \_\_\_\_\_, who being  
duly sworn did say that he/she, the said \_\_\_\_\_  
is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources,  
State of Utah, and he/she duly acknowledged to me that he/she executed the foregoing  
document by authority of law on behalf of the State of Utah.

\_\_\_\_\_  
Notary Public  
Residing at: \_\_\_\_\_

\_\_\_\_\_  
My Commission Expires:

# ATTACHMENT "A"

TINTIC UTAH METALS LLC  
Operator  
M/049/009  
Permit Number

BURGIN MINE  
Mine Name  
UTAH County, Utah

The legal description of lands to be disturbed is:

Location of Operation:  
Utah County, Utah

Facility	1/4	1/4	Sec.	T	R
Apex No. 2	SE	NW	22	10S	2W
Burgin No. 1	SE	SE	15	10S	2W
Burgin No. 2	SE	SE	15	10S	2W
Burgin No. 3	SE	SW	15	10S	2W
Water Disposal	SE	NW	15	10S	2W
Tailings Disposal		SW	11	10S	2W
Zuma	SE	NW	21	10S	2W